

LOUISIANA ASSOCIATION OF COMMUNITY
SERVICE ORGANIZATIONS, INC.

NOTES TO FINANCIAL STATEMENTS
October 31, 1985

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Louisiana Association of Community Service Organizations, Inc. is composed of Community Action Agencies throughout the state of Louisiana. Its members are recognized as political sub-divisions by the State of Louisiana.

The accounting and reporting policies of the Association conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The governmental accounting standards board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:531 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, *Audits of State and Local Governmental Units*.

NOTE 2 - BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

NOTE 3 - COMPENSATION AMOUNT PER DIEM TO BOARD MEMBERS

There was no compensation or per diem paid to Board members of the Louisiana Association of Community Service Organizations, Inc. for the years ended October 31, 1985.



Roland D. Kraushaar
Certified Public Accountant

1405 Texas Avenue - Alexandria, LA 71301
 Post Office Box 129338 - Alexandria, LA 71315

December 16, 1996

Ms. Joyce Hamilton
 Louisiana Association of Community
 Service Organizations
 c/o North Central, Inc.
 P.O. Box 284
 Gretna, Louisiana 71413

Dear Ms. Hamilton,

In conjunction with my audit report for LACSO for the two years ended October 31, 1996, I wish to remind you of the following violation of the Louisiana Revised Statute 24:513.

FINDING: Audit reports must be completed within six months of the close of the fiscal year.

CAUSE: The Association's grant from the Louisiana Department of Labor requires an audit to be conducted every two years. There was a change of officers during this two year cycle, and the new officers failed to note this requirement. When contacted by the Department of Labor, LACSO promptly engaged the audit in August and submitted the report in September of 1996.

RECOMMENDATION: Steps should be taken to assure that future reports will be issued within the prescribed six months of the year end.

It should be noted that the Association's bookkeeping and internal control systems have been improved since the audit for the year ended October 31, 1993.

Sincerely,


 Roland D. Kraushaar
 Certified Public Accountant

RDK/ajl

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FINANCIAL STATEMENTS AND REPORTS OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

LOUISIANA ASSOCIATION OF COMMUNITY
SERVICE ORGANIZATIONS, INC.

October 23, 1986

Richard D. Grossman
Certified Public Accountant
Alexandria, Louisiana

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JAN 09 1987

LOUISIANA ASSOCIATION OF COMMUNITY
SERVICE ORGANIZATIONS, INC.

NOTE TO FINANCIAL STATEMENTS
October 31, 1995
(continued)

NOTE 4 - COLLATERALIZATION OF BANK DEPOSITS

The total amount of deposits in financial institutions as of October 31, 1995, was \$7,383. All of this amount was insured by the Federal Deposit Insurance Corporation (FDIC).

LOUISIANA ASSOCIATION OF COMMUNITY
SERVICE ORGANIZATIONS, INC.

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
Year Ended October 31, 1995

REVENUES:	
State Grant	\$ 28,000
Other revenues	9,382
Total revenues	\$ 37,382
EXPENDITURES:	
Contract services	\$ 28,000
Travel and meetings	18,000
Supplies	1,518
Telephone, postage, etc.	1,000
Rent	750
Accounting/secretarial services	50
Contributions - Hurricane Relief	6,000
Contributions - Oklahoma City	1,000
Other costs	5,832
Total expenditures	56,832
EXCESS REVENUES OVER EXPENDITURES (DEFICIT)	\$ (19,450)
Fund Balance, Beginning	30,432
Fund Balance, Ending	\$ 10,982

The accompanying notes are an integral part of this statement.

LOUISIANA ASSOCIATION OF COMMUNITY
SERVICE ORGANIZATIONS, INC.

BALANCE SHEET
October 31, 1999

ASSETS

American Security Bank	\$10,344
Certificates of Deposit	<u>5,000</u>
Total assets	<u>\$15,344</u>

LIABILITY AND FUND EQUITY

LIABILITIES	
Accounts payable	\$ 60
FUND EQUITY	
Fund balance	<u>15,282</u>
Total liabilities and fund equity	<u>\$15,344</u>

The accompanying notes are an integral part of this statement.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Nelson D. Brantley
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1402 Texas Avenue, Alexandria, LA 71301
Post Office Box 12535 Alexandria, LA 71315

September 27, 1994

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
ISSUED ON AN AUDIT OF FINANCIAL
STATEMENTS CONDUCTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Louisiana Association of Community
Service Organizations, Inc.
Monroe, Louisiana

I have audited the financial statements of the Louisiana Association of Community Service Organizations, Inc., as of and for two years ended October 31, 1993, and have issued my report thereon dated September 27, 1994.

I have conducted my audit in accordance with generally accepted auditing standards and GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations applicable to The Louisiana Association of Community Service Organizations, Inc., is the responsibility of the Louisiana Association of Community Service Organizations, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Association's compliance with certain provisions of laws and regulations. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests indicate that, with respect to the items tested, the Louisiana Association of Community Service Organizations, Inc., complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the Louisiana Association of Community Service Organizations, Inc. had not complied, in all material respects, with those provisions.

evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Internal Accounting Controls

Cash Receipts	Payable and Accrued Liabilities
Accounts Payable	General Ledger
Cash Disbursements	Revenues and Receivables
Investments	Expenditures

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.


Roland E. Sprenkle
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 12528 Alexandria, LA 71315

September 27, 1990

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN ASSESS OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Louisiana Association of Community
Service Organizations, Inc.
Burrton, Louisiana

I have audited the financial statements of the Louisiana Association of Community Service Organizations, Inc., as of and for the years ended October 31, 1989, and have issued my report thereon dated September 27, 1990.

I have conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of Louisiana Association of Community Service Organizations, Inc., for the year ended October 31, 1989, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the Louisiana Association of Community Service Organizations, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any



Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
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September 27, 1986

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana Association of Community
Service Organizations, Inc.
Brouha, Louisiana

I have audited the accompanying financial statements of the Louisiana Association of Community Service Organizations, Inc., as of and for two years ended October 31, 1985. These financial statements are the responsibility of the Louisiana Association of Community Service Organizations, Inc.'s management. My responsibility is to express an opinion on those financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Louisiana Association of Community Service Organizations, Inc., as of October 31, 1985, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.


Roland D. Kraushaar
Certified Public Accountant

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1
Independent Auditor's Report on Internal Control Structure Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	2
Independent Auditor's Report on Compliance Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	4
GENERAL PURPOSE FINANCIAL STATEMENTS	
Balance Sheet	6
Statement of Revenues, Expenditures, and Changes in Fund Balance	7
Notes to Financial Statements	8
Questioned Costs and Findings	10

LOUISIANA ASSOCIATION OF COMMUNITY
SERVICE ORGANIZATIONS, INC.

QUESTIONED COSTS AND FINDINGS
Year ended October 31, 1995

- FINDINGS:** Supporting documentation could not be located for the following payments:
- 1) Check # 1262 dated July 11, 1994, to Joyce Hamilton. The only support available is the copy of a credit card receipt with no invoice from the Alexandria Hilton to substantiate the charge of \$181.04.
 - 2) Check # 1271 dated May 10, 1994, to South Central Bell. Supporting documentation totals only \$5.81 of the total billing of \$7.83, resulting in undocumented expense of \$1.91.
- EFFECT:** Since the expenditures in question did not come from either federal or state funds, the allowability of such expenditures has no impact on the grant. Members, however, should require that adequate documentation of all expenditures is maintained.
- RECOMMENDATION:** The new system of requests for/and approval of expenditures requires that supporting documents are attached to the request, and approval is noted on the requisition. As a part of the approval process, the authorizing person (usually the association president) should recalculate all amounts.